

Progress Report on Key Indicators: Educational Attainment, Graduation Rates, and Research and Development

Updated information is available for six indicators under Questions 1, 3, and 5. Results for indicators measuring educational attainment and research and development expenditures show progress, while new graduation rates show mixed results.

Here are the highlights:

Question 1: Are more Kentuckians ready for postsecondary education?

- In March 2003, the U.S. Census Bureau released results – including data on educational attainment – from its 2001 and 2002 current population surveys. Educational attainment rates from the CPS are typically higher than rates produced by the decennial census, but are useful for goal setting because they measure annual progress. According to the survey, 19.2 percent of adults in Kentucky aged 25 or older did not have a high school diploma or GED in 2002 (indicator 1.2). This is a significant improvement over the 1998 rate (22.1 percent), and exceeds the goal established for 2002. Kentucky's rate improved during the 2000-2002 period while the national rate remained unchanged at 15.9 percent, bringing the state closer to its long-term goal of reaching the national average. Using the traffic light evaluation scheme developed for the Key Indicators Web site, the light assigned to indicator 1.2 is green.

Question 3: Are more students advancing through the system?

- Updated results on the percentage of adults with a bachelor's degree or higher (indicator 3.5) also are available. According to the CPS, the percentage of Kentuckians with a baccalaureate increased from 20.5 percent in 2000 to 21.6 percent in 2002. The percentage of baccalaureate holders in the US increased from 25.6 percent in 2000 to 26.7 percent in 2002, a slower rate of increase than Kentucky's. Because the improved rate in Kentucky fell 0.2 percentage points short of the 2002 goal, a yellow light, indicating some progress, is assigned to indicator 3.5.

- Results for indicator 3.6, six-year graduation rates of bachelor's degree students, are mixed. Six-year graduation rates rose at three universities (Murray State University, University of Kentucky, and Western Kentucky University). The 2002 rates at Murray (55.4 percent) and the University of Kentucky (57.8 percent) exceeded the 2002 goals established for those institutions. Graduation rates declined at Eastern Kentucky University, Kentucky State University, Morehead State University, Northern Kentucky University, and the University of Louisville. Despite this decline, graduation rates at Eastern, Morehead, and Northern remained above the 2002 goals. Systemwide, the six-year graduation rate dropped from 44.1 percent in 2001 to 43.5 percent in 2002.
- New measurements for indicator 3.7, five-year graduation rates of transfer students, show no progress at the systemwide level in 2002. Five-year graduation rates (calculated as three-year averages) rose from 56.6 percent in 2001 to 57.1 percent in 2002 at Morehead and from 51.6 percent to 53.5 percent at the University of Kentucky. Both institutions exceeded their 2002 goals. The University of Louisville's five-year graduation rate rose between 2001 and 2002, but did not improve enough to meet the 2002 goal. Five-year graduation rates declined at four universities (Eastern, Murray, Northern, and Western). A red light is assigned to this indicator.
- The council staff has requested responses from the institution presidents regarding the decline in graduation rates. Additional information will be available at the May 19 meeting.
- After incorporating the updated educational attainment and graduation rates, the light assigned to Question 3 changes from green to yellow. While the system continues to make some progress in advancing students through the system, more concerted effort is needed to reach established goals.

Question 5: Are Kentucky's communities and economy benefiting?

- Indicator 5.6 measures total extramural research and development expenditures at UK and UofL. The long-term goal is to reach \$1 billion in combined expenditures by 2020. Data released by the National Science Foundation in April show some progress toward this goal. Extramural expenditures at UK rose from \$143 million in 2000 to \$151 million in 2001, indicating UK is on track to meet its 2002 goal. Extramural expenditures also rose at UofL, from \$31 million to \$34 million; more progress will be necessary for UofL to meet its 2002 goal. Total extramural research and development expenditures were \$185

million in 2001, indicating further progress is needed to reach the statewide goal for 2002. A yellow light is assigned to indicator 5.6.

- Increases in federal research and development expenditures in 2001 suggest good progress toward the 2002 goal (indicator 5.7). Federal research and development expenditures at UK increased from \$74 million in 2000 to \$86 million in 2001, indicating good progress toward meeting UK's 2002 goal. Federal research and development expenditures at UofL rose from \$18 million to \$25 million during the same period; UofL will need to make further progress to meet its 2002 goal. Federal research and development expenditures for UK and UofL combined were \$111 million in 2001, indicating Kentucky is likely to meet its statewide goal for 2002. A green light is assigned to indicator 5.7.

Including the updated results presented here, the council staff has assigned lights for 24 systemwide indicators. To date, there are 15 green lights, five yellow lights, and four red lights. These results show that postsecondary reform is working and identify areas to concentrate further effort. More detailed information is available in the attachments that follow.

The council staff has asked each institution president to prepare a summary of the initiatives taking place on their campus that address indicators for which results show more progress is necessary. Information about these responses will be provided to the council at the July 28 meeting.